



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB1874

Introduced 2/20/2009, by Sen. Dan Kotowski

SYNOPSIS AS INTRODUCED:

20 ILCS 5/5-15	was 20 ILCS 5/3
20 ILCS 5/5-20	was 20 ILCS 5/4
20 ILCS 1205/20 new	

Amends the Civil Administrative Code of Illinois to add the Department of Banking and the Director of Banking to the list of Code Departments. Amends the Financial Institutions Code. Provides that Executive Order No. 2004-6 is superseded by the Act. Abolishes the Division of Banking within the Department of Financial and Professional Regulation and creates the Department of Banking. Transfers all the powers, duties, rights, and responsibilities of the Division of Banking within the Department of Financial and Professional Regulation to the Department of Banking. Effective July 1, 2009.

LRB096 11199 MJR 21595 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning financial regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Civil Administrative Code of Illinois is
5 amended by changing Sections 5-15 and 5-20 as follows:

6 (20 ILCS 5/5-15) (was 20 ILCS 5/3)

7 Sec. 5-15. Departments of State government. The
8 Departments of State government are created as follows:

9 The Department on Aging.

10 The Department of Agriculture.

11 The Department of Banking.

12 The Department of Central Management Services.

13 The Department of Children and Family Services.

14 The Department of Commerce and Economic Opportunity.

15 The Department of Corrections.

16 The Department of Employment Security.

17 The Illinois Emergency Management Agency.

18 The Department of Financial and Professional Regulation.

19 ~~The Department of Financial Institutions.~~

20 The Department of Healthcare and Family Services.

21 The Department of Human Rights.

22 The Department of Human Services.

23 The Illinois Power Agency.

1 ~~The Department of Insurance.~~
2 The Department of Juvenile Justice.
3 The Department of Labor.
4 The Department of the Lottery.
5 The Department of Natural Resources.
6 ~~The Department of Professional Regulation.~~
7 The Department of Public Health.
8 The Department of Revenue.
9 The Department of State Police.
10 The Department of Transportation.
11 The Department of Veterans' Affairs.

12 (Source: P.A. 94-696, eff. 6-1-06; 95-331, eff. 8-21-07;
13 95-481, eff. 8-28-07; 95-777, eff. 8-4-08; revised 10-23-08.)

14 (20 ILCS 5/5-20) (was 20 ILCS 5/4)

15 Sec. 5-20. Heads of departments. Each department shall have
16 an officer as its head who shall be known as director or
17 secretary and who shall, subject to the provisions of the Civil
18 Administrative Code of Illinois, execute the powers and
19 discharge the duties vested by law in his or her respective
20 department.

21 The following officers are hereby created:

22 Director of Aging, for the Department on Aging.

23 Director of Agriculture, for the Department of
24 Agriculture.

25 Director of Banking, for the Department of Banking.

1 Director of Central Management Services, for the
2 Department of Central Management Services.

3 Director of Children and Family Services, for the
4 Department of Children and Family Services.

5 Director of Commerce and Economic Opportunity, for the
6 Department of Commerce and Economic Opportunity.

7 Director of Corrections, for the Department of
8 Corrections.

9 Director of the Illinois Emergency Management Agency, for
10 the Illinois Emergency Management Agency.

11 Director of Employment Security, for the Department of
12 Employment Security.

13 Secretary of Financial and Professional Regulation, for
14 the Department of Financial and Professional Regulation.

15 ~~Director of Financial Institutions, for the Department of~~
16 ~~Financial Institutions.~~

17 Director of Healthcare and Family Services, for the
18 Department of Healthcare and Family Services.

19 Director of Human Rights, for the Department of Human
20 Rights.

21 Secretary of Human Services, for the Department of Human
22 Services.

23 Director of the Illinois Power Agency, for the Illinois
24 Power Agency.

25 ~~Director of Insurance, for the Department of Insurance.~~

26 Director of Juvenile Justice, for the Department of

1 Juvenile Justice.

2 Director of Labor, for the Department of Labor.

3 Director of the Lottery, for the Department of the Lottery.

4 Director of Natural Resources, for the Department of
5 Natural Resources.

6 ~~Director of Professional Regulation, for the Department of~~
7 ~~Professional Regulation.~~

8 Director of Public Health, for the Department of Public
9 Health.

10 Director of Revenue, for the Department of Revenue.

11 Director of State Police, for the Department of State
12 Police.

13 Secretary of Transportation, for the Department of
14 Transportation.

15 Director of Veterans' Affairs, for the Department of
16 Veterans' Affairs.

17 (Source: P.A. 94-696, eff. 6-1-06; 95-331, eff. 8-21-07;
18 95-481, eff. 8-28-07; 95-777, eff. 8-4-08; revised 10-23-08.)

19 Section 10. The Financial Institutions Code is amended by
20 adding Section 20 as follows:

21 (20 ILCS 1205/20 new)

22 Sec. 20. The Department of Banking.

23 (a) Executive Order No. 2004-6 is hereby superseded by this
24 amendatory Act of the 96th General Assembly to the extent that

1 Executive Order No. 2004-6 transfers the powers, duties,
2 rights, and responsibilities of the Office of Banks and Real
3 Estate to the Division of Banking within the Department of
4 Financial and Professional Regulation.

5 (b) The Division of Banking within the Department of
6 Financial and Professional Regulation is hereby abolished and
7 the Department of Banking is created as an independent
8 department. On July 1, 2009, all powers, duties, rights, and
9 responsibilities of the Division of Banking within the
10 Department of Financial and Professional Regulation shall be
11 transferred to the Department of Banking.

12 (c) The personnel of the Division of Banking within the
13 Department of Financial and Professional Regulation shall be
14 transferred to the Department of Banking. The status and rights
15 of such employees under the Personnel Code shall not be
16 affected by the transfer. The rights of the employees and the
17 State of Illinois and its agencies under the Personnel Code and
18 applicable collective bargaining agreements or under any
19 pension, retirement, or annuity plan shall not be affected by
20 this amendatory Act. To the extent that an employee performs
21 duties for the Division of Banking within the Department of
22 Financial and Professional Regulation and the Department of
23 Financial and Professional Regulation itself or any other
24 division or agency within the Department of Financial and
25 Professional Regulation, that employee shall be transferred at
26 the Governor's discretion.

1 (d) All books, records, papers, documents, property (real
2 and personal), contracts, causes of action, and pending
3 business pertaining to the powers, duties, rights, and
4 responsibilities transferred by this amendatory Act from the
5 Division of Banking within the Department of Financial and
6 Professional Regulation to the Department of Banking,
7 including, but not limited to, material in electronic or
8 magnetic format and necessary computer hardware and software,
9 shall be transferred to the Department of Banking.

10 (e) All unexpended appropriations and balances and other
11 funds available for use by the Division of Banking within the
12 Department of Financial and Professional Regulation shall be
13 transferred for use by the Department of Banking pursuant to
14 the direction of the Governor. Unexpended balances so
15 transferred shall be expended only for the purpose for which
16 the appropriations were originally made.

17 (f) The powers, duties, rights, and responsibilities
18 transferred from the Division of Banking within the Department
19 of Financial and Professional Regulation by this amendatory Act
20 shall be vested in and shall be exercised by the Department of
21 Banking.

22 (g) Whenever reports or notices are now required to be made
23 or given or papers or documents furnished or served by any
24 person to or upon the Division of Insurance within the
25 Department of Financial and Professional Regulation in
26 connection with any of the powers, duties, rights, and

1 responsibilities transferred by this amendatory Act, the same
2 shall be made, given, furnished, or served in the same manner
3 to or upon the Department of Banking.

4 (h) This amendatory Act does not affect any act done,
5 ratified, or canceled or any right occurring or established or
6 any action or proceeding had or commenced in an administrative,
7 civil, or criminal cause by the Division of Banking within the
8 Department of Financial and Professional Regulation before
9 this amendatory Act takes effect; such actions or proceedings
10 may be prosecuted and continued by the Department of Banking.

11 (i) Any rules of the Division of Banking within the
12 Department of Financial and Professional Regulation, including
13 any rules of its predecessor Office of Banks and Real Estate,
14 that relate to its powers, duties, rights, and responsibilities
15 and are in full force on the effective date of this amendatory
16 Act shall become the rules of the recreated Department of
17 Banking. This amendatory Act does not affect the legality of
18 any such rules in the Illinois Administrative Code.

19 Any proposed rules filed with the Secretary of State by the
20 Division of Banking within the Department of Financial and
21 Professional Regulation that are pending in the rulemaking
22 process on the effective date of this amendatory Act and
23 pertain to the powers, duties, rights, and responsibilities
24 transferred, shall be deemed to have been filed by the
25 Department of Banking. As soon as practicable hereafter, the
26 Department of Banking shall revise and clarify the rules

1 transferred to it under this amendatory Act to reflect the
2 reorganization of powers, duties, rights, and responsibilities
3 affected by this amendatory Act, using the procedures for
4 recodification of rules available under the Illinois
5 Administrative Procedures Act, except that existing title,
6 part, and section numbering for the affected rules may be
7 retained. The Department of Banking may propose and adopt under
8 the Illinois Administrative Procedures Act such other rules of
9 the Division of Banking within the Department of Financial and
10 Professional Regulation that will now be administered by the
11 Department of Banking.

12 To the extent that, prior to July 1, 2009, the Director of
13 the Division of Banking within the Department of Financial and
14 Professional Regulation had been empowered to prescribe rules
15 or had other rulemaking authority jointly with the Secretary of
16 the Department of Financial and Professional Regulation with
17 regard to the powers, duties, rights, and responsibilities of
18 the Division of Banking within the Department of Financial and
19 Professional Regulation, such duties shall be exercised from
20 and after July 1, 2009 solely by the Director of the Department
21 of Banking.

22 Section 99. Effective date. This Act takes effect July 1,
23 2009.